



DEBRA K. DAVENPORT, CPA  
AUDITOR GENERAL

STATE OF ARIZONA  
OFFICE OF THE  
**AUDITOR GENERAL**

WILLIAM THOMSON  
DEPUTY AUDITOR GENERAL

August 22, 2007

Governing Board  
Red Rock Elementary School District No. 5  
P.O. Box 1010  
Red Rock, AZ 85245-1010

Members of the Board:

In our November 15, 2006, compliance review report we notified you that the District had not complied with the *Uniform System of Financial Records* (USFR) for the year ended June 30, 2004.

We have since reviewed the District's audit reports for the 2 years ended June 30, 2006, and USFR Compliance Questionnaire for the year ended June 30, 2006, to determine whether the District was in compliance with the USFR as of that date. Based solely on our review of these documents, the District has complied with the USFR.

However, we noted that the District still had numerous internal control deficiencies cited by its auditors in the management letter and the USFR Compliance Questionnaire. These deficiencies indicate that the District's internal controls are still especially weak in the areas of student attendance reporting and ensuring compliance with the School District Procurement Rules (*Arizona Administrative Code* R7-2-1001 et seq).

Although the cited deficiencies do not cause substantial noncompliance, the District must take corrective action to continue to satisfactorily comply with the USFR.

If you have questions concerning the deficiencies or how to correct them, or would like a written summary of deficiencies with recommendations for correction, please call Magdalene Haggerty, Accounting Services Director, or Gregg Rickert, Accounting Services Manager, at (602) 553-0333.

Sincerely,

Debra K. Davenport  
Auditor General

DKD/MH/gr  
cc: Mr. Mark Brauner, Superintendent  
Ms. Annette Garner, Business Manager  
Red Rock Elementary School District No. 5  
The Honorable Jack W. Harmon, Pinal County School Superintendent  
Ms. Vicki G. Salazar, Associate Superintendent of Financial Services  
Arizona Department of Education